

# HOUSE BILL No. 1576

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-8.1-3-7.1; IC 6-8.1-3-12.

**Synopsis:** County collection of taxes. Provides that the department of state revenue shall quarterly provide the fiscal officer of an entity that has adopted an innkeeper's tax, a food and beverage tax, or an admissions tax, with the name of each business collecting the tax and the amount of tax collected by each business. Gives a county fiscal officer conducting an investigation relating to the innkeeper's tax, food and beverage tax, or admissions tax concurrent jurisdiction with the department and the audit, investigatory, appraisal, and enforcement powers of the department. Permits a county fiscal officer to recover court costs, fees, and other expenses in connection with an action brought under this law.

**Effective:** July 1, 2003.

**Saunders**

January 16, 2003, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1576

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-8.1-3-7.1, AS ADDED BY P.L.178-2002,  
2       SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2003]: Sec. 7.1. (a) "Fiscal officer" has the meaning set forth  
4       in IC 36-1-2-7.

5       (b) The department shall enter into an agreement with the fiscal  
6       officer of an entity that has adopted an innkeeper's tax, a food and  
7       beverage tax, or an admissions tax under IC 6-9 to furnish the fiscal  
8       officer ~~annually~~ **quarterly** with:

9           (1) the name of each business collecting the taxes listed in this  
10          subsection; and

11          (2) the amount of money collected from each business.

12       (c) The agreement must provide that the department must provide  
13       the information in an electronic format that the fiscal officer can use,  
14       as well as a paper copy.

15       (d) The agreement must include a provision that, unless in  
16       accordance with a judicial order **or as part of a collection action**  
17       **brought by the county convention and visitor's bureau**, the fiscal

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officer, employees of the fiscal officer, former employees of the fiscal officer, counsel of the fiscal officer, agents of the fiscal officer, or any other person may not divulge the names of the businesses, the amount of taxes paid by the businesses, or any other information disclosed to the fiscal officer by the department.

SECTION 2. IC 6-8.1-3-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 12. (a) The department may audit any returns filed in respect to the listed taxes, may appraise property if the property's value relates to the administration or enforcement of the listed taxes, may audit gasoline distributors for financial responsibility, and may investigate any matters relating to the listed taxes.

(b) For purposes of conducting its audit or investigative functions, the department may:

- (1) subpoena the production of evidence;
- (2) subpoena witnesses; and
- (3) question witnesses under oath.

The department may serve its subpoenas or it may order the sheriff of the county in which the witness or evidence is located to serve the subpoenas.

(c) The department may enforce its audit and investigatory powers by petitioning for a court order in any court of competent jurisdiction located in the county where the tax is due or in the county in which the evidence or witness is located. If the evidence or witness is not located in Indiana or if the department does not know the location of the evidence or witness, the department may file the petition in a court of competent jurisdiction in Marion County. The petition to the court must state the evidence or testimony subpoenaed and must allege that the subpoena was served but that the person did not comply with the terms of that subpoena.

(d) Upon receiving a proper petition under subsection (c), the court shall promptly issue an order which:

- (1) sets a hearing on the petition on a date not more than ten (10) days after the date of the order; and
- (2) orders the person to appear at the hearing prepared to produce the subpoenaed evidence and give the subpoenaed testimony.

If the defendant is unable to show good cause for not producing the evidence or giving the testimony, the court shall order the defendant to comply with the subpoena.

(e) If the defendant fails to obey the court order, the court may punish ~~him~~ **the defendant** for contempt.

(f) Officers serving subpoenas or court orders and witnesses

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1 appearing in court are entitled to the normal compensation provided by  
2 law in civil cases. The department shall pay the compensation costs  
3 from the money appropriated for the administration of the listed taxes.

4 **(g) County fiscal officers investigating tax matters under IC 6-9**  
5 **have:**

6 **(1) concurrent jurisdiction with the department;**

7 **(2) the audit, investigatory, appraisal, and enforcement**  
8 **powers described in this section; and**

9 **(3) authority to recover court costs, fees, and other expenses**  
10 **related to an audit, investigatory, appraisal, or enforcement**  
11 **action under this section.**

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